

Nama Khoi Municipality

Reviewed Financial Recovery Plan

2020-21



Priority Area	Key Deliverables Project	Activities	Responsible Department and Official	Start Date	End Date (S, M or L)	Outcome	Achieved
Program 1 - Budgeting	Reviewing budgeting process, principles and strategy as well as expenditure management systems to ensure efficient and effective service delivery in line with municipal priorities	Prepare and implement adjustment budget	CFO, Management , Budget Steering Committee	Feb-2021	Feb-2021	Adjustment budget completed	
		Review budget related policies	CFO, Management , Budget Steering Committee	Mar-2021	May-2021	Policies Reviewed, New Policies tabled	
		Prepare and table the MTREF Budget	CFO, Management , Budget	1 Mar-2021	31 May-2021	Credible MTREF Budget	

			Steering Committee				
	linking between the IDP and budget	Establishment of budget steering committee	IDP officer, Budget Accountant; CFO, Management , Budget Steering Committee	1 Mar 2021	31 May 21	Budget committee steering minutes	
Program 2 - Expenditure Management	High overtime	Pre-authorisation of overtime, repairs to be within working hours. Strict controls to be introduced	Management and Municipal Manager	1 Jul 2020	ongoing	Reduction in overall overtime	
	Payment of creditors	Viable repayment agreements should be negotiated and implemented. Monthly reporting on progress made on biggest Creditors Monthly reporting on ESKOM litigation Monthly reporting on Sedibeng progress Monthly budget Steering Committee meetings on all expenditures incurred	Management and Municipal Manager	1 Jul 2020	ongoing	Reduction on outstanding balance	
	Cost containment	Implementation of cost containment measures	Municipal Manager	1 Jul 2020	ongoing	Reduction in monthly expenditures	

	Electricity Account exceedance	Analyse the whole Eskom account, ensure that the Municipality is on the correct tariff. A list of Electricity meters bypassed is compiled. A project is implemented and progress reported monthly. Project will continue and monthly will reports with financial impact reported to EXCO	Management	1 Jul 2020	ongoing	Reduction in electricity bill	
Program 3 - Revenue Management	Review revenue enhancement management systems to maximize revenue generation possibilities and improve revenue performance	Perform debt audit and perform write-off in line with relevant policies Establishment of a “property rates team” to investigate properties that are under valued and all of the current disputes Accounts to be distributed online to ensure community receives accounts on time and accurately.	Management , income department	1 Jul 2020	ongoing	Revenue enhancement assessment report Results to be present Council	
	Accurate readings on actual usage	Installation of pre-paid meters Attend to indigents who exceed 6 kl consumption and are in arrears. Roll out project to repair leaks beyond the water meters.	Management	1 Jul	ongoing	Improvement of outstanding debt	

	Inaccurate readings or bypassing of meters	Audit on meters Monthly monitoring of actions executed on water meters reported to Technical Department for repair or replacement. Roll out meter audit project in quarter one.	CFO and Technical Manager	1 Jul 2020	ongoing	Reduction of inaccurate	
	Cost reflective tariffs	Review of tariffs to ensure that they are cost reflective, gradually introducing alternative structures within the current tariffs. Monthly reporting on bulk water and electricity consumption at Sonop and Carolusberg Compound Constant engagement with Treasury/Coghsta/NERSA/Sedibeng	Finance department, CFO, Service Department	1 Jul 2020	ongoing	Improvement in revenue	
	Low collection rate	Improve collection rate by providing capacity to the Credit control department. Installing of pre-paid water meters.	Finance department, Service Department	1 Jul 2020	ongoing	Improvement in revenue	
	Councillor participation	Councillors to encourage community to pay for services Regular information sharing to the community	Speaker	1 Jul 2020	Ongoing	Informed community	
	Long term debtor arrangements	Credit control to be implemented vigorous . Process of writing off interest of older accounts and collecting monies from the community in line with the applicable legislation.	Income Department, Management, Executive Committee	1 Jul 2020	31 Dec 2020	Improved Cash Flow	

Program 4 - Customer Care	Enhance levels of customer care increase responsiveness to consumer billing and other queries	Improve community access points and turnaround response time Introduction of alternative means of communicating, e.g online platforms	Finance and Corporate	1 Jul 2020	ongoing	Accessible complete service points Online Platforms	
Program 5 - Cash Management	Review cash and debt management strategies and practices	Monthly Budget Steering Committee meetings	Executive Committee	1 Jul 2020	ongoing	Improve Cash Flow	
	Cash flow	Daily cash flow management Weekly reports on all cash received for the week per service point Exploring investing portions of equitable share in line with the applicable legislation	Finance department, Management	1 Jul 2020	ongoing	Improve Cash Flow	
Program 6 - Financial Controls	Review internal controls and delegations regarding financial management	Draft audit plan (OPCAR) Monitoring of action plan Reporting of achievements	Finance department, CFO, Internal Audit	1 Jul 2020	ongoing	Audit action plan addressing all audit findings	
	MSCOA	Raise and address challenges with service providers and users	All	1 Jul	ongoing		

	SOP	SOP's to be customised to relevant section	Municipal Manager	1 Jul	ongoing		
Program 7 - Asset Management	Implementing asset management through an integrated infrastructure and asset management plan	Review and update asset register	All	1 Jul 2020	ongoing	FAR with reviewed useful lives	
		Perform assessment of the useful life of all infrastructure assets and GPS reference	Technical Department	1 Jul	Ongoing	FAR with reviewed useful lives	
Program 8 - Supply Chain Management	Review governance practices in the supply chain practices and implement proper controls and risk management practices	Implement legislation as applicable Monthly reports as required Monthly reports to staff reminding them of the SCM processes and all the risk involved by not adhering to the applicable legislation	SCM	1 Jul	ongoing	Reduction in UIF register	

	Irregular expenditure	Monthly monitoring and reporting of irregular expenditure Regular reporting and advising Senior Managers on processes that might result in Irregular Expenditure	SCM, CFO, Municipal Manager	1 Jul 2020	ongoing	Reduction in irregular expenditure	
Program 9- Institutional stabilisation	Stability in council, fill management vacancies, conduct organisational redesign, compile all job descriptions and have a job evaluations done	Review the organisational structure and place staff in accordance with newly approved organogram	Municipal Manager	1 Jul 2020	ongoing	Right fit approved organogram	
	PMS	Implementation of performance management systems and implementation of consequence management systems	PM, CFO, Municipal Manager	1 Jul 2020	ongoing	Functional PMS	
	Training	Training of councillors and officials	Corporate Manager, Municipal Manager	1 Jul 2020	ongoing	Training schedule	

Program 10 - Accounting IT and Data Management	Review IT infrastructure and implement accounting and budget reforms	Review IT infrastructure and develop and implement infrastructure replacement policy Introducing of new IT innovations to help generate income	ICT, Corporate Manager, Finance Department	1 Jul 2020	Ongoing	Improve revenue	
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Program 11 - Liability Management	Review all liabilities current and non-current and devise a strategy to meet obligations in a timely manner in accordance with legislative requirements	Review and calculate short term liability	Finance CFO	1 Jul 2020	ongoing	Short term liability position determined and cash flow requirements set for MTREF	
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Program 12 – Alternative Means of collecting revenue and reducing expenditure	Review Income/Expenditure and Debtors/Creditors and Assets/Liabilities	Submitting bill to all other municipalities the municipality supply a service to. Monthly reporting on secondary service the municipality supply such as, traffic, libraries, sport, parks and commonage Exploring alternative means of distributing accounts Reviewing current telephone bill	Management	1 Jul 2020	Ongoing		

		Enhancing the monitoring of the fleet Identifying municipal assets to be sold such as vacant land					
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